

What Has Government Done to Our Money? Murray N. Rothbard

Excellent overview. Just as fresh - and prescient - in 2014 as 1962. The constant is government greed and stupidity. Government is a necessary evil. One should focus on the word "evil" and use it as sparingly as possible.

Governments are formed of fallible human beings, elected by other fallible humans. Few in either camp have the intellectual ability or the desire to understand even the simple economics described here. Few of them have a long-term orientation, or a willingness to seek the common good rather than their own reelection or place at the government money-teat.

Rothbard provides a simple, highly readable outline of the problems we have faced historically. The differences in the coming crisis are in scope but not in kind. Politicians have no will whatsoever to protect the value of the currency. The Federal Reserve's QE program of money printing has to have been cynical from the very beginning. Bernanke is lucky the crisis was stalled until the end of his tenure, though I'm sure history will treat him quite unkindly.

What lessons do I take from it?

1. Governments will lie to you. They always have, as Rothbard documents. 2014's politicians are if anything less moral than those from earlier times.
2. The more government tries to keep its citizens away from gold and silver, the stronger the incentive to do just what they don't want us to do: buy them as a safe haven.

For my son, don't believe the civics-class indoctrination. He must examine every proposition for himself. There will always be money to be made by taking advantage of government stupidity. I'd rather he choose some form of honest work, but he too could be like George Soros or John Paulson. Just look for things that that don't make sense, and bet your gut.

I will be recommending this book to many friends. It is short, readable, and much more than most people have read on the history of money, uses of money, the nature and role of monetary metals, the operation of banks, centra